

INTELLIGENCE COMMUNITY STAFF

23 February 1989

NOTE FOR:
Procurement Division

FROM:
Planning and Policy Office

SUBJECT: NAPA Study

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1. Attached is a copy of the NAPA Final Report for your retention. Also attached is a copy of a letter from NAPA Project Director Don Wortman requesting the release of certain unclassified parts of the NAPA Report. We, and the representatives from the intelligence agencies that contributed to the Report, support NAPA's request. I would appreciate your opinion on any contract-related provision or policies that might discourage or disallow us to do this. I can be reached at

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2. Thank you for your assistance.

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Attachments:
a/s

INFORMATION

TOPIC: The Community Personnel Coordinating Committee (CPCC)

BACKGROUND

- o The National Academy of Public Administration (NAPA) study of civilian personnel systems in the Intelligence Community was submitted to the Oversight Committees in January 1989.
- o One of its key recommendations calls for the Community to establish a senior group to provide a more integrated Community approach to its human resource management.
- o This group, called the Community Personnel Coordinating Committee (CPCC), met for the first time in March 1989. Chaired by the ICS, it is composed of personnel directors from CIA, NSA, DIA, the Military Service Intelligence organizations, FBI and INR.

FUNCTION OF THE CPCC

- o The CPCC is the Community mechanism for sharing information on new personnel proposals while they are in the planning stage and coordinating related initiatives before they are submitted to Congress.
- o Each agency will continue to be responsible for submitting its legislative proposals through normal channels, but the submissions will include the results of the CPCC review.

WORK THUS FAR

- o The CPCC created five specialized working groups (recruiting, training/career development, compensation/benefits, EEO, and retirement/separation) to prepare prioritized implementation action plans for each of NAPA's 41 recommendations.
- o The results of the working group reviews, along with other, non-NAPA related personnel initiatives proposed by Intelligence Community agencies, have been compiled into a Community Personnel Action Plan.
- o The Action Plan presents the Community's personnel initiatives in terms of short-, medium-, and long-range objectives.
- o The CPCC will meet on 28 June to review and approve the Personnel Action Plan prior to its submission to the Congressional Oversight Committees.

FUTURE PLANS

- o The CPCC will surface significant personnel issues to the NFIC (for its guidance) twice a year.
- o Through the CPCC actions, the Community will develop a more integrated personnel management system more understandable and defensible in the congressional oversight process.

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INTELLIGENCE COMMUNITY PERSONNEL ISSUES
(NAPA STUDY IMPLICATIONS)

1. QUESTION: Judge Webster, the NAPA study was provided to this Committee in January 1989. It makes over 40 separate recommendations regarding intelligence personnel management policies and compensation practices. Do you agree with all of the recommendations in the report? If not, with which actions do you disagree and why?

ANSWER: My letter forwarding the NAPA Report to the Congress indicates my broad agreement with the Report's recommendations. In particular, I strongly support the recommendations that advocate greater flexibility in personnel management for all Intelligence Community activities. I also support NAPA's conclusions on the need for better Community coordination of personnel management initiatives. Indeed, I have already established a senior coordinating group--as recommended by NAPA--to enhance the effectiveness of personnel management across the Community. As you are aware, NAPA's recommendations cover a very wide range of actions. While all have merit, there are questions of feasibility, priority, timing, funding, technical details of implementation, and so on that must be answered before firm decisions to proceed can be made. My senior coordinating group, through a system of specialized interagency working groups, is now actively reviewing the report to identify the areas with broad Community application that should be acted on first and to propose an implementation plan. A relatively clear outline of where we are headed should be available by mid-summer. Concurrently, individual agencies are moving ahead on those recommendations that have agency-specific aspects.

2. QUESTION: Judge Webster, the NAPA Report made a number of recommendations that have financial implications. If implemented, how do you intend to deal with them?

ANSWER: In broad terms, virtually all of the Report's recommendations have financial implications, as all concern personnel and thus affect staffing and retention. Some of the recommendations, however, have direct funding consequences. My approach to dealing with such recommendations will be consistent with my approach to any funding or budget issues. Foremost is the need to treat such issues within the context of the National Foreign Intelligence Program as a whole. In the coming years a great deal of Community scrutiny will be given to many NFIP issues and initiatives, including hardware and operational programs as well as personnel needs. Financial implications of NAPA's recommendations will be dealt with alongside these other issues as part of my effort to formulate an NFIP that addresses our most pressing requirements. I expect that initiatives that are uniquely applicable to specific agencies will be treated similarly by senior program managers.

3. QUESTION: Judge Webster, will implementation of any of the recommendations require significant additional resources in FY 1990 and FY 1991?

ANSWER: As you are aware, many of NAPA's recommendations are conceptual or concern realignment of personnel policies. There is very little in the Report or its recommendations in the way of the technical details of implementation. Until those details are fully understood and described, accurate funding estimates will be difficult to obtain. As I mentioned, a senior coordinating group is now evaluating the Report to more completely assess implications--including costs--of the recommendations. A full answer will await completion of that effort. In some instances, however, where agency-specific recommendations are involved, projected funding costs are better understood. Agency personnel officers will discuss those matters directly with appropriate Congressional Staff as part of the oversight effort.

4. QUESTION: Judge Webster, the Report highlights a number of areas where benefits and allowances are not uniform for overseas intelligence personnel, and recommends that your authorities be extended to permit you to align benefits and allowances with those the Secretary of State establishes for US government civilian employees overseas. Do you intend to take action to create equity in overseas intelligence compensation?

ANSWER: Achieving equity in overseas compensation is, of course, a desirable objective, and I intend to work towards it. As you are aware, however, the NAPA project staff prepared a separate case study on this issue after the completion of the main Report. The case study points out the extremely complicated nature of overseas compensation and notes the need for further work on the part of the Community (working ultimately in conjunction with the Congress). Because of the scope and technical details of the issues involved, I have referred this problem to my senior coordinating group (discussed previously), which is examining it alongside several other compensation recommendations. The group believes that the overseas pay issue will be among the most complicated ones that it treats.

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INTELLIGENCE COMMUNITY IMPLEMENTATION OF THE NAPA REPORT

- o Key first action is establishment of recommended senior-level personnel planning and policy coordination committee to review NAPA Report recommendations and advise DCI on actions required.
 - Committee to consist of Personnel Directors of the NAPA Study organization:
 - CIA
 - DIA
 - NSA
 - FBI
 - State/INR
 - Military Service Intelligence Organizations
 - Committee to be called Community Personnel Coordinating Committee (CPCC).
 - Committee to be chaired by D/ICS/PPO.
 - Committee to meet quarterly (beginning in March).
 - Committee to report to NFIC twice yearly.
 - Committee to oversee activities of five ad hoc working groups:
 - Recruiting
 - Training and Career Development
 - Retirement and Outplacement
 - Equal Employment Opportunities
 - Compensation and Benefits
- o Working Groups to be chaired by current SSG members: (Agencies represented at working level as required.)
 - Recruiting - FBI
 - Training and Career Development - NSA
 - Retirement and Outplacement - INR
 - Equal Employment Opportunities - DIA
 - Compensation and benefits -- CIA
- o NAPA Report recommendations assigned as per attachment.
 - Working Groups to meet as required to prepare plan of action regarding relevant NAPA Recommendations and suggest/initiate other areas of coordination.
 - Working Group Chairmen to meet as a group monthly with Chairman of CPCC to report progress and prepare agenda for CPCC meetings.

o Suggested early schedule:

22 February: SSG Meeting

28 February: CPCC Meeting (w/SSG) (0930-1100)

8 March: SSG--Preliminary report from Retirement/Outplacement and EEO Working Groups.

25 March: SSG--Preliminary report from Recruiting and Training/Career Development Working Groups.

5 April: SSG--Preliminary report from Compensation and Benefits Working Group.

19 April: SSG--Action plan from Retirement/Outplacement and EEO Working Groups.

3 May: SSG--Action plan from Recruiting and Training/Career Development Working Groups.

17 May: SSG--Action plan from Compensation and Benefits Working Group.

early June: CPCC meeting.

late June: Report to NFIC.

o Concerns:

- Relations with Congressional Committees Staffs.
- Congressional Committees' schedule.
- Need for a CPCC charter.
- Need to include other Intelligence Community agencies.

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INTELLIGENCE COMMUNITY PERSONNEL COORDINATING COMMITTEE

24 MARCH 1989

AGENDA

- o Opening Remarks Chairman
 - NAPA Report implementations
 - Other initiatives
 - Relationship with Congressional Committees/Staffs
 - Recent communications
- o Discussion All
- o New Initiatives CIA
 - Parental leave sharing
 - Career transition
 - Flexible benefits
- o Discussion All
- o Agenda and Time for Next Meeting

STUDY TERMS OF REFERENCE

Persuant to Title VIII Section 701 of the Intelligence Authorization Act for Fiscal Year 1988, the Director of Central Intelligence shall contract with the National Academy of Public Administration (NAPA) to conduct a comprehensive analysis of the personnel management and compensation systems affecting civilian personnel within each of the entities of the Intelligence Community. The analysis will include an assessment of the effectiveness of the various personnel systems in enabling the intelligence organizations to carry out their missions. The contractor will make recommendations to the Director of Central Intelligence for regulatory or other changes that are deemed necessary to improve the effectiveness of the Intelligence Community personnel management systems, and to the Intelligence Oversight Committees for additional legislation which may be deemed necessary.

For the purpose of this study, the "Intelligence Community" will be those agencies and entities defined in Section 3.4(f) of Executive Order 12333, with primary focus being CIA, NSA, and DIA.

CONDUCT OF THE STUDY

The study will begin as soon as practicable after 1 January 1988, and will be concluded and a final report provided to the Director of Central Intelligence on or before 20 January 1989. Interim reports will be provided on 1 May and 1 August 1988.

A Study Steering Group (SSG) comprised of one representative from the Central Intelligence Agency, the National Security Agency, the Defense Intelligence Agency, and under the chairmanship of the Intelligence Community Staff will be formed to guide and facilitate the work of the contractor, to assure that necessary support is provided from participating agencies, and to serve as the agent for the DCI in reviewing and overseeing the work of the contractor.

The SSG will identify within each participating agency or entity a focal point for all activity within that organization. The contractor will coordinate all of its activities through that focal point.

All information requested by the contractor will be provided through these individual focal points.

The SSG will receive guidance and overall direction from a Study Management Policy Group (SMPG). The SMPG will be comprised of NFIC-level representatives of the Intelligence Community organizations participating in the Study, with the Director of the IC Staff as Chairman.

The SMPG will act for the DCI in the review and endorsement of the Interim Reports and make recommendations to the DCI regarding the Final Report.

Security

Names of the contractor's team will be provided to the Contracting Officer's Technical Representative (COTR) prior to commencement of the study to assure that necessary clearances are obtained from participating organizations.

The COTR will determine that the contractor is provided with suitable office space and secure storage facilities at the NAPA office and temporary meeting and secure storage facilities at the IC Headquarters building. The focal point for each organization will make such arrangements as may be necessary for office space and secure storage facilities in individual organizational locations.

Areas of Study

The contractor will examine and evaluate the effectiveness of the following personnel program areas:

Staffing

Examine and compare the types of applicants sought by each member of the IC and the mechanism by which applicants are identified and recruited.

Examine and compare the mechanism used for identifying recruitment requirements, and the success in satisfying requirements.

Examine and compare the security requirements for the various organizations, and assess the impact of these requirements on the recruiting process.

Examine hiring salary practices of the various organizations, and assess the adequacy of current EOD salary setting practices in attracting the quality of applicants needed; assess whether these practices will adequately enable the organization to continue obtaining needed employees in the future.

Assess the role the Federal benefits programs play in the recruitment process, and the extent to which it is a hindrance or plus in attracting employees into the Intelligence Community.

Examine and evaluate the career development, and promotion programs and assess their effectiveness in retaining and motivating employees.

Examine the mobility requirements of each organization, and assess the impact of retaining and motivating employees.

Assess the impact of overseas mobility requirements on the ability of organizations to recruit and retain employees in critical occupations, and the adequacy of the current incentive and allowance program in maintaining a cadre of employees overseas now and in the future.

Pay and Job Evaluation

Examine and compare the current job evaluation programs in the various agencies, and assess their effectiveness in maintaining internal equity within the organizations.

Examine and compare the current pay setting practices within the organizations, and assess their effectiveness in retaining and motivating employees in the various organizations. Complete a comparative analysis on relative levels of pay among the various entities, and the relationship of pay in the IC to that in the private sector.

Examine and complete a comparative analysis of the position and pay management practices of the organizations, and the effectiveness of the program in meeting organizational objectives.

Examine and evaluate the role pay plays in motivating employees, and the links between pay and individual and organizational performance.

Evaluate effectiveness of pay practices for critical skill and hard-to-hire category employees, and make recommendations for the future direction of these programs.

Evaluate the role current benefits program play in retaining employees and ways in which the benefits program could become more effective parts of the overall compensation programs of the organizations.

Career Development and Training

Assess the career orientation of the participating agencies.

Assess the role of the manager vs expert, and the specialist vs generalist, and the effectiveness of the organizations in meeting the needs of each of these groups.

Evaluate the need for and effectiveness of cross-occupational training, and intraoccupational training.

Assess the adequacy of current training and employee development programs, and the resource commitments to these programs.

Employee/Management Relations

Assess the effectiveness of current employee/management relations program in contributing to the retention and motivation of employees.

Assess the impact of unique suitability issues on the organizations' ability to manage their people.

Assess the effectiveness of employee assistance programs in salvaging the problem employee.

Assess the effectiveness of outplacement programs in easing the transition of terminated or dissatisfied employees into life outside the organization with minimal emotional trauma.

Automated Human Resources Support Systems

Examine and assess the effectiveness of automated human resource support systems.

Identify deficiencies in current capabilities, and make recommendations for enhancements and additional resource allocations.

Methodology and Study Organization

The contractor shall be responsible for the proposal of a study methodology and organization subject to the approval of the COTR. The contractor's proposal shall take into account the need and timing required for the Interim and Final Reports.

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